

SUMMARY OF LAWS AND REGULATIONS ON BANK INDONESIA

Regulation : Bank Indonesia Regulation Number 12/18/PBI/2010 dated 30 August 2010 concerning Amendment to Bank Indonesia Regulation Number 10/11/PBI/2008 concerning Bank Indonesia Sharia Certificate.

Effective : On August 30, 2010

Date

Summary :

- I. The amendment to Bank Indonesia Regulation (PBI) is made in order to improve the effectiveness in the implementation of monetary management based on sharia principles as well as to improve the provisions concerning Bank Indonesia Sharia Certificate, specifically Article 14 paragraph (2) letter b and paragraph (3) concerning the imposition of sanction for the cancelled SBIS transactions.
- II. Bank Indonesia shall impose sanctions on BUS or UUS for cancelled SBIS Transaction in the forms of:
 - (1) a written reprimand; and
 - (2) a financial penalty of 0.01% (one per ten thousandth) of the value of the cancelled SBIS Transaction, with the minimum amount of Rp10,000,000.00 (ten million rupiah) and the maximum amount of Rp100,000,000.00 (one hundred million rupiah) for each cancelled SBIS Transaction.

Without prejudice to the sanctions as referred to in paragraph (2), in the event that a BUS or UUS conducts the cancelled SBIS Transaction and/or other cancelled transactions of sharia monetary operations, as referred to Bank Indonesia Regulation concerning sharia monetary operations, three times during 6 (six) month-tenure, the BUS or UUS shall be subject to temporary suspension from participation in sharia monetary operations for 5 (five) consecutive business days.

III. This Bank Indonesia Regulation shall be effective on August 30, 2010.

DPM